



**STATE OF NEW HAMPSHIRE**  
**DEPARTMENT OF CORRECTIONS**  
**DIVISION OF MEDICAL & FORENSIC**  
**SERVICES**

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William L. Wrenn  
 Commissioner

Bob MacLeod  
 Director

January 31, 2006

Re: RFP Title - Inpatient and Outpatient Hospital/Medical Services

RFP Number - *NHDOC 06-07-GFMED*

**Responses to Inquiries**

**Question 1:**

Is it possible to get utilization data at our facilities from the NHDOC regarding inpatient and outpatient utilization for each of the four areas?

**Response 1: (\*)**

NH DOC Facility 2005 Data	Inpatient Hospital Days	Out-Patient Visits
<b><i>NHSP-M: Concord/MSU</i></b>	312	822
AVH	0	
Catholic Medical Center	207	
Concord Hospital	113	
Elliot Hospital	2	
Lakes Region General Hospital	0	
Other	0	
<b><i>NHSP-M: Northern Area</i></b>	40	751
AVH	40	
Catholic Medical Center	0	
Concord Hospital	0	
Elliot Hospital	0	
Lakes Region General Hospital	0	
Other	0	
<b><i>NHSP-W: Southern Area</i></b>	43	176
AVH	0	
Catholic Medical Center	42	
Concord Hospital	1	
Elliot Hospital	0	
Lakes Region General Hospital	0	
Other	0	
<b><i>Lakes Region Area: LRF</i></b>	19	65
AVH	0	
Catholic Medical Center	0	
Concord Hospital	0	
Elliot Hospital	0	
Lakes Region General Hospital	19	
Other	0	

\* Best available data – may not be inclusive of all services provided in 2005.

**Question 2:**

Will NHDOC take into account the difference in Medicare allowable by facility?

**Response 2:**

Yes, NHDOC when validating bids are compliant with the law, but ultimately this is a competitive bid process and will consider best pricing in conjunction with population needs and hospital services.

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**Question 3:**

Will there be provisions for outliers in inpatient and outpatient?

**Response 3:**

No, outlier provisions are not included in the contract process. NHDOC has limited administrative resources and is seeking to keep the administration of this program as simple as possible.

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**Question 4:**

Is it possible to obtain the number of office visits to each of the vendors?

**Response 4:**

No vendor specific data is available for outpatient services

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**Question 5:**

Page 4, Section #23. Is the current contract public information?

**Response 5:**

Yes, the original Hospital Contracts for the NH Department of Corrections are public record and are accessible through the Secretary of States Office at:

Location: State House, Room 204, Concord, NH 03301

Phone: 603-271-3242 Fax: 603-271-6316

Contact Us: [Elections@sos.state.nh.us](mailto:Elections@sos.state.nh.us)

Facility Area	Original Governor & Council Date	Item #	Amended Date	Item #
Northern Area	5/21/03	39	6/22/05	87
Concord and Lakes Region Area	5/21/03	40	6/22/05	89
Southern Area	10/22/03	25	6/22/05	88

The Vendor interested in obtaining these records needs to contact the Secretary of States office for information on the process necessary to obtain these records.

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**Question 6:**

Exhibit A, Page 2, Section #4. Will DOC pay % quoted of Medicare allowed (for HCPCS) or Medicare portion only? In other words, who is responsible for the patient portion?

**Response 6:**

NHDOC will pay based on the Medicare allowed.

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**Question 7:**

Page 4, Item #17 We request that the DOC notify or alert the vendors of any changes to the RFP. The specific changes can be referenced by the vendors on the DOC website. Also, the DOC should consider a date after which changes to the RFP will no longer be made. This will ensure the vendors have adequate time to respond to the RFP by February 10, 2006.

**Response 7:**

NHDOC will not make changes to the RFP after February 1, 2006.

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**Question 8:**

Page 5, Item #28.4 To clarify, the DOC will award each of the four (4) areas on an exclusive basis. If this is not correct, please confirm.

**Response 8:**

The intent of the award is to pursue exclusivity in each geographic territory, however, NHDOC will consider every bid and based upon the scope of services and pricing will choose the best option available. While exclusivity is the goal, NHDOC cannot rule out other possibilities at this time.

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**Question 9:**

Exhibit A, Item #2.4 For most services paid under Medicare, many hospitals are reimbursed on a fixed payment basis, (Prospective Payment System – PPS). Given this, the DOC's analysis of validation should compare the vendor's proposed rates against Medicare's fixed payment for that vendor. **NOTE:** Each hospital may have a different Medicare payment rate even for fixed payments. Also, some of the hospitals may be reimbursed as a percent of cost rather than under PPS.

**Response 9:**

NHDOC agrees with the comments above but urges bidders to understand that compliance with SB382, scope of Services and other issues are also basis of comparison amongst bids.

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**Question 10:**

Exhibit A, Item #2 CMC proposes a CPI inflator on inpatient services consistent with that found under Item #4.3.

**Response 10:**

NHDOC would agree to a CPI inflator on inpatient services as long as the result of this inflationary factor did not create a lack of compliance with SB382.

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**Question 11:**

Exhibit A, Item #4 Will the reimbursement be based on Medicare's allowed (which includes the Medicare coinsurance) or Medicare payment? CMC would urge the DOC to consider the allowed amount, as it is very unlikely that the vendors would have the option to collect the coinsurance from the inmates.

**Response 11:**

The expectation is for Medicare allowed amounts. Given that NHDOC is the payer of services on behalf of inmates, no coinsurance, copayments or other forms of cost sharing exist.

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**Question 12:**

VI. Exhibit A, item #4, National Level II Codes (HCPCS) The DOC is requesting that the hospitals accept APC based reimbursement. Currently, our hospital does not have a means to include the APC number on the UB92 billing. Rather, Medicare assigns the APC number based on the coding on the UB92. Is it the DOC's intent to base this reimbursement on APCs? Will the DOC require the Hospitals to submit the APC# with the claims?

CMC proposes the following as an option:

- \*Lab Services-Fee Schedule - % multiplier of the Medicare Lab fee schedule

- \*All other outpatient services a % of Hospital charge. The starting point for the bidding would be the Hospitals "RCC based on their most recent audited Medicare Cost Report. For CMC, this would be FY04, (ending June 30,2004)."

**Response 12:**

NHDOC does not expect Institutions to base reimbursement on APC's. Outpatient services are expected to be paid by a % multiplier for the following Medicare fee schedules:

- Outpatient Laboratory
- Outpatient Radiology
- National Level II Codes

NHDOC will pay all other outpatient services on a percentage of the hospital charge.

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**Question 13:**

VII. Exhibit A, Item #4.2 and 4.3 Section 4.2 states the Hospitals may not increase charges under this contract or they would face an offset to the % reimbursement for those services paid as a % of charge. Section 4.3 allows Medical CPI increases for fixed payments (i.e. lab services). Will the DOC allow charge increases on an annual basis up to this same Medical CPI before imposing an offset to the % reimbursement?

**Response 13:**

Yes, the net result of any charge increase cannot exceed the value of the CPI. Any amount over the CPI will be offset.

**Question 14:**

VIII. Exhibit A, Item #7 Could the DOC provide the following utilization detail by area:

**INPATIENT:**

Total inpatient days by DRG.

**OUTPATIENT:**

Total outpatient surgical services by CPT-4 code.

Total outpatient diagnostic procedures by CPT-4 code.

**Response 14 (\*):**

No inpatient days by DRG data available

Outpatient data available as follows:

<b>Initial Consults, All DOC, FY 2005</b>	
<b>Type of Consult Service</b>	<b># Initial</b>
PODIATRY	104
IM - GASTROENTEROLOGY	103
CARDIAC	79
ORTHOPEDIC SURGEON	73
GENERAL SURGEON	58
DERMATOLOGY	53
DT - CONTRAST PROCEDURES, I.E., BA SWALLOW, UGI, BONE SCAN, THYROID SCAN, ANY RADIOGRAPHIC PROCEDURE THAT UTILIZES CONTRAST MEDIA, EITHER SWALLOWED OR INJECTED	42
DT-MRI SCAN	40
DT - CAT SCAN	39
DT - BIOPSIES (INCLUDES LIVER, LUNG, BREAST, ETC., ANY BIOPSY PERFORMED BY RADIOLOGY	36
DT - ULTRASOUND	36
OPTOMETRY AND OPHTHALMOLOGY	34
NEUROLOGY/NEUROSURGERY	28
UROLOGY	23
EAR, NOSE AND THROAT	16
AUDIOLOGY/HEARING EXAMS	13
IM - PAIN MANAGEMENT	11

DT - MAMMOGRAMS NOT DONE VIA ULTRASOUND	9
INTERNAL MEDICINE - ONLY WHEN CONSULT DOES NOT FIT INTO OTHER CATEGORIES	9
IM - HIV/AIDS	7
IM - HEMATOLOGY (ANEMIA, BLOOD DISORDER DIAGNOSES, ETC.	6
IM - ENDOCRINOLOGY	3
IM - RADIATION THERAPY EVALUATION/TREATMENT/FOLLOW-UP	3
IM - SLEEP STUDIES	3
ORTHOTICS	3
DENTAL SURGERY	2
GYNECOLOGY	2
IM - CHEMOTHERAPY EVALUATIONS/TREATMENT/FOLLOW-UP	2
IM - PULMONARY	2
IM - ALLERGY TESTING	1
IM - NEPHROLOGY	1
<b>Total Initial Consults</b>	<b>841</b>

<b>FollowUp Consults, All DOC, FY 2005</b>	
<b>Type of Consult Service</b>	<b># FollowUp</b>
ORTHOPEDIC SURGEON	124
PODIATRY	85
OPTOMETRY AND OPHTHALMOLOGY	74
GENERAL SURGEON	61
UROLOGY	48
CARDIAC	42
IM - GASTROENTEROLOGY	35
IM - HIV/AIDS	26
DT - CAT SCAN	20
EAR, NOSE AND THROAT	17
IM - CHEMOTHERAPY EVALUATIONS/TREATMENT/FOLLOW-UP	17
IM - HEMATOLOGY (ANEMIA, BLOOD DISORDER DIAGNOSES, ETC.	17
IM - PAIN MANAGEMENT	16
NEUROLOGY/NEUROSURGERY	16
DERMATOLOGY	14
ORTHOTICS	13
AUDIOLOGY/HEARING EXAMS	9
DT-MRI SCAN	8
DT - BIOPSIES (INCLUDES LIVER, LUNG, BREAST, ETC., ANY BIOPSY PERFORMED BY RADIOLOGY	7
DT - MAMMOGRAMS NOT DONE VIA ULTRASOUND	6
IM - RADIATION THERAPY EVALUATION/TREATMENT/FOLLOW-UP	6
GYNECOLOGY	5
INTERNAL MEDICINE - ONLY WHEN CONSULT DOES NOT FIT INTO OTHER CATEGORIES	5
DENTAL SURGERY	3
DT - ULTRASOUND	2
IM - ENDOCRINOLOGY	2

IM - PULMONARY	2
DT - CONTRAST PROCEDURES, I.E., BA SWALLOW, UGI, BONE SCAN, THYROID SCAN, ANY RADIOGRAPHIC PROCEDURE THAT UTILIZES CONTRAST MEDIA, EITHER SWALLOWED OR INJECTED	1
IM - PHLEBOTOMY TREATMENTS	1
<b>Total FollowUp Consults</b>	<b>682</b>

- THIS DATA DOES NOT REPRESENT ALL OUTPATIENT SERVICES BUT IS THE BEST THE NHDOC CAN OFFER AT THIS TIME.

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**Question 15:**

IX. Exhibit C, Item #9.1.1 Please confirm that this monthly report is based on the reimbursement to the Hospitals by the DOC and not the Hospital's cost.

**Response 15:**

Yes, reimbursement paid to the hospitals by the NHDOC.

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**Question 16:**

X. Exhibit C, Item #9.17 Our Hospital is unable to report-out at the APC level. We do not capture this data for reporting purposes. Will this preclude us from consideration?

**Response 16:**

No, this should be reported on in accordance with the contract. APC level information was requested in error. NHDOC is interested in reporting based upon the reimbursement schedules listed in the prior sections.

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**Question 17:**

XI. Exhibit C, Item #11.1.5 Please confirm that the scope of any DOC audit, inspection or review would be limited to the records, (financial, administrative, clinical, etc.), directly associated with the care provided to the inmates.

**Response 17:**

Yes, this is correct the NHDOC is only interested in the information that pertains to the treatment provided to the inmates.

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**Question 18:**

XII. Exhibit C, Item #28 Could the DOC change the wording of this section to the following:

“The vendor is obligated to cooperate with the DOC in its efforts in establishing a primary and specialty physician network. Such efforts will be focused on physicians with privileges for the clinical services provided by the vendor.”

**Response 18:**

Yes, NHDOC would agree to the above wording. The intent is to assist the NHDOC with the provision of services from physicians with hospital privileges.

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**Question 19:**

Will the DOC accept a copy of a NH certificate of good standing which we got April 11, 2005? It's about 10 months old.

**Response 19:**

The NHDOC can not guarantee that the Attorney General's Office will sign off on it. Their procedure has been stated as “a Certificate of Good Standing dated on or after April 1, of the current contracting year must accompany the contract.” NHDOC believes it would be fine but, just to be safe it may be in the vendor's best interest to obtain a new one.

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**Question 20:**

Exhibit A, Item #4 National Level II Codes (HCPCS) – Should the DOC stay with radiology reimbursement as detailed in the RFP, (radiology is APC based), will the schedule be based on wage adjusted rates or the national base?

**Response 20:**

Refer to response to Question 12.

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**Question 21:**

Proposal Check Sheet-labeled pp.2 The required attachments to the submitted RFP include an Exhibit D, Selection/Evaluation Process and Criteria. CMC is not finding this exhibit D in the packet provided by the DOC. Please advise if this attachment/Exhibit is required.

**Response 21:**

This attachment/exhibit D is not required.

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**Question 22:**

The DOC is asking that we have a special board resolution around this RFP. This is significantly different than the last RFP. Given that we didn't learn about the RFP until 1/13/06, would it be possible to use the similar form which was included in the 2002/2003 RFP?

**Response 22:**

NHDOC indicates you are referring to the Certificate of Authority with Seal. This document can be signed by a clerk of the organization stating that during a board meeting of the Corporation, the Board has granted authority to either a person or a position title to obligate the Corporation to the contract they have signed. If it is a specific person, then that specific person can sign the contract. If it is a title that the person currently holding that position can sign the contract and a copy of the Board's vote to place this person in the position needs to accompany the Certificate (if a Corporate Seal is not available it will not be a problem to submit it without one).

A specific Board resolution is not necessary just clarification that the Board has given the signatory the appropriate level of authority to obligate the Corporation to the terms and conditions of the contract/RFP.

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**Question 23:**

XII. Exhibit C, Item #11.1.8 Will the DOC consider a cure period for the vendors rather than a straight termination?

**Response 23:**

The NHDOC will provide 30 days notice to the vendor with a 90-day cure period after which the NHDOC will determine if the issues of concern have been addressed with appropriate corrective action. If the NHDOC is satisfied with the corrective action the contract will continue, if resolution can not be reached the contract will be terminated.